

*Utility Users' Tax***Utility Users' Tax Rate Reduction for Telephone Service**

Revised:

02/24/2014**Purpose:**

To reduce the Utility Users' Tax rate applied to telephone services from 5.0% to 4.75% pursuant to the Settlement Agreement in the matter of Carla Villa et. al. v. City of Chula Vista.

Background:

The City has reached a class action settlement in a lawsuit regarding the City's collection of Utility Users' Taxes from every person in the City using intrastate telephone communications services in the City ("telephone service"). The Settlement Agreement requires the City to reduce the rate applicable to telephone service from 5% to 4.75%, effective March 1, 2014.

Administrative Ruling:

In order to meet the terms of the Settlement Agreement in the matter of Carla Villa et. al. v. City of Chula Vista, the City of Chula Vista UUT Tax Administrator hereby administratively reduces the UUT rate applied to telephone services from 5% to 4.75%, effective March 1, 2014, and directs all telephone communication providers to implement this rate change.

All other provisions of Chapter 3.44 (Utility Users' Tax) of the Chula Vista Municipal Code remain in full force and effect.

Procedures:

Not applicable.

Forms:

Not applicable.



Maria Kachadoorian
Finance Director/Treasurer